GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:249
ANSWERED ON:07.03.2003
DEVELOPMENT OF LEATHER EXPORTS
P.D. ELANGOVAN

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

:

(a) whether the Government have any proposal to promote leather exports;

(b) if so, the details thereof;

(c) the details of the amount allocated, disbursed and utilized for the same during the last three years; and

(d) the steps taken by the Government to monitor the export performance of such industries?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY)

(a to d) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 249 FOR ANSW ON 7.3.2003 REGARDING DEVELOPMENT OF LEATHER EXPORTS

(a) to (c) : The Government have taken several measures to promote leather and leather goods exports. Some of the policy initiatives are:

(i) De-reservation of tanning and footwear sub-sectors from the purview of small scale industry.

(ii) Neutralisation of the duties suffered on the inputs used in the export production, through duty drawback / Duty Entitlement Passbook (DEPB) scheme.

(iii) Duty free import facility provided to the leather garment sector, for importing the essential inputs required for export production to the extent of 3% of the previous year`s export performance.

(iv) Duty free import facility provided to all the segments of the leather industry for importing essential embellishments / inputs to the extent of 1% of the previous year`s export performance.

(v) Financial assistance to individual exporters for developing / promoting the market for Indian leather products by participation in the international fairs, undertaking sales-cum-study tours, publicity through printed materials; setting up of warehouses / showroom abroad. Upto January 2003, an amount of Rs. 369 lakhs was allocated and released to individual exporters in the last three years.

(vi) Financial assistance to the Council for Leather Exports for undertaking trade promotion activities within and outside the country. This includes participation in the important trade fairs / exhibitions, Buyer-Seller-Meets and Trade Delegations.A sum of Rs. 915 lakhs has been allocated to the Council for Leather Exports during the last three years.Out of this a sum of Rs. 869 lakhs has been released upto January, 2003.

(vii) Financial assistance to the Council for Leather Exports for implementing a focused approach to marketing of leather exports in select countries during 2002-2003 is as under.

(amount in Rs. lakhs)

	Amount Allocated	Amount Utlilised
Latin American Countries	37	37
USA	258	200
Japan	76	50

(d) Monitoring of export performance is done through the Council for Leather Exports, which is the nodal agency for export promotion of leather and leather products. Export performance of the industry is reviewed from time to time in comparison with the target achievement and previous performance. Corrective measures are taken in consultation with the industry so that exports can increase.